GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:4400
ANSWERED ON:22.08.2001
ANALYSIS OF POVERTY ALLEVIATION PROGRAMME
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Will the Minister of PLANNING be pleased to state:

(a) whether the Government have prepared an analysis on various poverty alleviation programmes;

(b) if so, the details thereof; and

(c) the extent to which the funds being incurred on the poverty alleviation programme have helped in alleviation poverty?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN TH MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) to (c): The Planning Commission has prepared the Mid-Term Appraisal of the NinthFive Year Plan (1997-2002) which contains a review of various Poverty Alleviation Programmes. The highlights of the Mid-Term Appraisal pertaining to Poverty Alleviation Programmes are enclosed. The poverty ratio for the country as a whole estimated in 1993-94 was 35.97 percent which declined to 26.10 percent in 1999-2000.

Highlights of Mid-Term Appraisal of the Ninth Five Year Plan(1997-2002)

Rural Development & Poverty Alleviation Programmes

Poverty-Alleviation Programmes

Poverty had declined substantially in 1980s. Proportion of people below poverty line declined from 54.9 % in 1973-74 to 36 % in 1993-94. However, recent estimates suggest that the projections on reduction of proportion and number of people below poverty line made in the Ninth Plan have not been realised in the first two years of the plan period. This may be due to: sluggish agricultural growth which was also less well spread out; labour absorption did not increase hence slow down in growth of real wages; failure of poverty alleviation and watershed development schemes; continuance of certain policies that act against the interest of the poorest, especially tribals; inadequate reach of TPDS to the poorestin the northern and eastern states; fiscal crisis caused by the V Pay commission that led to reduced ability of the states to spend on social sectors; limited growth of rural non-farm sector; and poor governance.

Integrated Rural Development Programme (IRDP) evaluation pointssub-critical investment; unviable projects; illiterate and unskilled beneficiaries with no experience in managing an enterprise; indifferent delivery of credit by banks, overcrowding of lending in certain projects such as dairy; under emphasis on activities like trading, service and even simple processing, poor targeting and selection of non-poor; rising indebtedness; scale of IRDP outstripped capacity of government and banks to absorb.

Integrated Rural Development Programme-Allied Programmes: TRYSEM not dovetailed with IRDP. Non-existent training centres, non-payment of stipend (Chhapra study). DWCRA did well in some states (AP, Kerala, Gujarat). Sawarnjayanti Gram Swarozgar Yojana (the successor to IRDP) aims at micro-enterpriseswith emphasis on cluster approach. It is a credit-cum-subsidy programme. Focus on self-help groups. In the past, subsidy orientation leads to corruption and distortion of objectives. Too early to evaluate.

Jawahar Rozgar Yojana evaluation points: inadequate employment (11 days as per concurrent evaluation); thin spread of resources; violation of material-labour norms; corruption (fudging of muster rolls). Projects were executed by contractors who sometimes hired outside labourers at lower wages. Positive aspects: durable community assets and empowerment of gram panchayats. Redesigned in April 1999 as Jawahar Gram Samridhi Yojana. Primary aim now rural infrastructure. Employment is secondary. Too early to evaluate.

Employment Assurance Scheme. Initially demand-driven. Funds went to better-off states.Evaluation by PEO: scheme is being executed through contractors in most of the States in violation of the central guidelines; the norm of 60:40 for wage and material is not maintained; the genuine muster rolls are not being maintained by the Gram Panchayats. Family cardshave not been issued; the system of registration of job seekers with Gram Panchayats is not in vogue; Central norms of earmarking, 40 per cent of funds for watershed development and 20 per cent for minor irrigation, have not been followed.

From April 1999 restructured as the single wage employment scheme; became allocative; 30% of funds allocated to district reserved for areas suffering from endemic labour exodus/areas of distress. Need to shift focus only to backward areas; should not be a universal scheme.

NSAP. Well-targeted. Fewer leakages reported. Needs more resources. Delivery mechanism. A major weakness in the implementation of poverty alleviation programmes has been the lack of adequate participation by the people for whom the programmes are meant. There should be emphasis on the role of PRIs and NGOs. State Initiatives do better because of better ownership and flexibility in the design of programmes to suit local conditions. Examples: Gokul Gram Yojana, Apna Gaon Apna Kaam, Kudumshree.

Rural Housing : Indira Awaas Yojana (IAY) became an Independent CSS from 1.1.1996.Free of cost houses are provided to below poverty line families. Unit cost is Rs.20,000 inplain and Rs.22,000 in hill/tribal areas. Updation of existing houses at a unit cost of Rs.10,000 is now permissible. A new component of credit-cum-subsidy has also been added. In any given village/block/district it would take a long time before all the families are covered. This is dividing the poor instead of helping them to organise into groups. Despite orders, gram sabhas are not active in deciding beneficiaries.

Land Reforms : Access to land is still critical for employment and income generation in rural areas.

Access to land is possible through liberalisation of leasing, but leasing-in should be limited to small and marginal farmers. In areas characterised by feudal/semi feudal modes of production, there is need to further strengthen the existing laws for security of tenure of the poor.

Alienation of tribal land continues unabated but needs to be arrested. Gender inequality exists in both inheritance laws and land laws. Suitable Amendments are required to make inheritance laws to agricultural land more gender equal. There is need to update land records and to computerise them to make access to information easier.

Urban Development, Housing and Poverty AlleviationUrban poverty remains an area of significant and persistent neglect in public policy and is a manifestation of lack of income and purchasing power attributable to lack of productive employment, high rate of inflation, lack of access to social infrastructure, affecting the quality of life of the people. The 1993-94 official estimate of the total urban population `below poverty line` was 32.36%.

The modified urban poverty alleviation programmme re-named as Swarna Jayanti ShahariRozgar Yojana (SJSRY) consists of two schemes, (a) the Urban Self EmploymentProgramme (USEP) and (b) the Urban Wage Employment Programme (UWEP). Impac assessment has been suggested.